

MANUFACTURING EXTENSION PARTNERSHIP

Success Stories from the Field

Storage Technology of PR

Puerto Rico Manufacturing Extension Inc

Storage Technology of Puerto Rico Takes Performance to New Levels Using Lean Strategies

Client Profile:

Storage Technology of Puerto Rico (StorageTek), a division of Storage Technology Corporation (headquartered in Colorado), manufactures electronic data storage systems. The company's output accounts for 90 percent of the total corporate manufacturing volume. Located and operating in Ponce, Puerto Rico since 1979, the company currently employs 425 people.

Situation:

After several key StorageTek managers attended a lean workshop hosted by Puerto Rico Manufacturing Extension, Inc. (PRiMEX), a NIST MEP network affiliate, they decided to pursue a plant-wide lean and Six Sigma strategy to take performance to a new level. StorageTek asked PRiMEX to assist with the implementation of a plant-wide lean awareness initiative.

Solution:

PRiMEX delivered a series of in-house lean manufacturing workshops to approximately 122 StorageTek employees, including managerial and professional personnel. These workshops, together with Six Sigma projects, accelerated the rate of improvement by actively engaging employees in activities. At PRiMEX's recommendation, StorageTek designated a "lean champion" with the support of the corporate lean office, and the plant began the long process of implementation. Thus far, the company has seen significant improvements in cycle time, inventory, and on-time shipping rates, among other success indicators.

Results:

- * Reduced inventory by 40 percent.
- * Increased inventory turns by 85 percent.
- * Reduced manufacturing cycle time by 31 percent.
- * Improved final test yields by 53 percent.
- * Improved on-time shipping by 85 percent.
- * Reduced required manufacturing space by a net of 17 percent.
- * Increased employee morale and commitment.

Testimonial:

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